

### **REMARKS**

This responds to the Office Action mailed on January 3, 2007.

Claims 1, 8, and 25 have been amended. No claims have been canceled. No claims are added. Thus, claims 1-5, 8-11, and 25 are now pending in this application.

For the convenience of the Examiner, Applicant's remarks concerning the claims will be presented in the same order in which the Examiner presented them in the Office Action.

### **Amendments to Claims 1, 8, and 25**

Claims 1, 8, and 25 have been amended. No new matter has been introduced.

Each of independent claims 1, 8, and 25 has been amended by inserting the phrase "wherein at least one configuration option comprises reducing a cost for a digital content item if advertising is included". Support for this language may be found, for example, at page 3, lines 28-30, and at page 5, lines 24-26 of the original disclosure.

Claim 25 has additionally been amended by adding "and"; "wherein the sales computer is to calculate the final price by"; substituting "determining, for" for "wherein"; deleting "associated with"; deleting "; and wherein the final pricing formula comprises"; and adding "; and wherein OA1 is an option price for including advertising in the selected digital content item A".

### **Rejection of Claims 1-5 and 8-11 under 35 U.S.C. §103(a) as Unpatentable over Kay in view of Cansler and Rodriguez**

Claims 1-5 and 8-11 were rejected under 35 U.S.C. §103(a) as being unpatentable over Kay et al. (U.S. 2002/0144275 A1) in view of Cansler et al. (U.S. 6,725,257) and Rodriguez (U.S. 2003/0005452). It is also presumed that claim 25 is included in this rejection, since it is referred to on page 9 within the section describing said rejection.

### The Applied References Fail to Teach or Suggest Every Limitation

To establish a *prima facie* case of obviousness under 35 U.S.C. §103, the prior art reference (or references when combined) must teach or suggest every limitation of the claim. *In re Royka*, 490 F.2d 981, 180 USPQ 580 (CCPA, 1974). MPEP §2143.

Kay, Cansler, and Rodriquez do not disclose all of the limitations recited in independent claims 1, 8, and 25, as amended. For example, neither Kay, Cansler, nor Rodriquez disclose that at least one configuration option comprises reducing a cost for a digital content item if advertising is included (claims 1 and 8) or reducing a final price for a digital content item if advertising is included (claim 25).

Further, regarding independent claim 25, neither Kay, Cansler, nor Rodriquez disclose determining, for one of the plurality of digital content items, the final price related to the base price and the option price by a final pricing formula  $ITEMPRICEA = ADJA * [BASEA + (OA1*PA1) + (OA2*PA2) + (OA3*PA3)]$ , wherein BASEA is the base price for a selected digital content item A, ADJA is an item price adjustment factor for digital content item A, the values OA1, OA2, and OA3 are prices for individual options associated with digital content item A, and the factors PA1, PA2, and PA3 are option-specific price adjustment factors associated with the options OA1, OA2, and OA3, and wherein OA1 is an option price for including advertising in the selected digital content item A.

The Examiner stated that this limitation does not distinguish claim 25 from the prior art, because the structure of Kay in view of Cansler and Rodriguez is capable of calculating a final price using the specific formula. The Examiner further stated that “claims directed to an apparatus must be distinguished from the prior art in terms of structure rather than function”.

In response, Applicants assert that claim 25, as amended, recites that the sales computer is to calculate the final price by determining, for one of the plurality of digital content items, the final price related to the base price and the option price by the final pricing formula  $ITEMPRICEA = ADJA * [BASEA + (OA1*PA1) + (OA2*PA2) + (OA3*PA3)]$ , etc. Applicants assert that in the digital processing arts, there are numerous examples of issued patents having claims to digital apparatus and digital systems in which the steps or operations

performed by a processor or computer are all that distinguish the claims from prior art apparatus and systems.<sup>1</sup>

#### Suggestion or Motivation to Combine the References is Lacking

To establish a *prima facie* case of obviousness, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to combine them to arrive at Applicants' claimed subject matter. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in Applicants' disclosure. MPEP §2143.

The Examiner asserts that "it would have been obvious to a person of ordinary skill in the art to have modified the system of Kay to include the teachings of Cansler and Rodriguez to allow for the memory to include at least one item configuration option, such as content quality, associated with an option price, and to use this option price as the other price to associate with the digital content final price with the pricing formula. Doing so would allow for customers to choose and configure their own customized product in a more efficient and knowledgeable manner..." [emphasis added].<sup>2</sup>

In response, Applicants respectfully assert that it would be counter-productive to combine the teaching of Cansler with Kay and/or Rodriguez, because Cansler is concerned with delivery of a base product to which a number of add-ons or custom configurations are added to form a custom product, whereas Kay and Rodriguez are concerned with delivery of a single unalterable product to a customer. For example, regarding the digital movie content delivered in Kay and Rodriguez, it would be inconceivable to expect the user-selectable options of selecting additional or replacement actors or a different film background setting. The deliverable products described in Kay/Rodriguez and Cansler are simply too diverse to be considered as falling within the same

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<sup>1</sup> For example, claim 22 from U.S. Pat. No. 6,473,897:

A processor executing a compiler program comprising the operations of:  
the compiler program analyzing a source code segment;  
the compiler program determining whether generating a customized version of object code for the source code segment to execute on one of several types of processors would provide a performance advantage over generating a non-customized version of object code; and  
if so, the compiler program generating the customized version of object code;  
otherwise, the compiler program generating the non-customized version of object code.

<sup>2</sup> Office Action, page 5.

endeavor. There is no teaching, suggestion, or motivation in these references for an attempt, as the Examiner has suggested, to modify or to provide add-on options for an unalterable product such as a movie. Therefore, the Examiner's proposed combination of the teachings of Cansler and Kay/Rodriguez would result in an inoperative system far outside of the described purpose and intent of the Kay and Rodriguez disclosures.

#### No Prima Facie Case of Obviousness Has Been Established

Thus, Applicants respectfully assert that a *prima facie* case of obviousness has not been established. First, the references do not disclose all of the limitations recited in independent claims 1, 8, and 25, as amended.

Secondly, the Examiner has not provided any teaching, suggestion, or motivation in the references themselves to combine the Kay, Cansler, and Rodriguez references to arrive at Applicants' claimed subject matter.

Thirdly, the Examiner has not provided any credible teaching, suggestion, or motivation in the knowledge generally available to one of ordinary skill in the art, to combine the Kay, Cansler, and Rodriguez references to arrive at Applicants' claimed subject matter.

For the above reasons, independent claims 1, 8, and 25 should be found to be allowable over any combination of Kay, Cansler, and Rodriguez, and Applicants respectfully request that the rejection of claims 1, 8, and 25 under 35 U.S.C. §103(a) as unpatentable over Kay in view of Cansler and Rodriguez be withdrawn.

If an independent claim is nonobvious under 35 U.S.C. §103, then any claim depending therefrom is nonobvious. MPEP §2143.03.

Claims 2-5 and 9-11, which depend directly or indirectly from independent claims 1, 8, and 25, and incorporate all of the limitations therein, are also asserted to be allowable for the reasons presented above.

#### Additional Elements and Limitations

Applicant considers additional elements and limitations of the claims to further distinguish over the cited references, and Applicant reserves the right to present arguments to this effect at a later date.

### **Reservation of Rights**

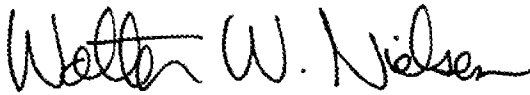
In the interest of clarity and brevity, Applicants may not have addressed every assertion made in the Office Action. Applicants' silence regarding any such assertion does not constitute any admission or acquiescence. Applicant reserves all rights not exercised in connection with this response, such as the right to challenge or rebut any tacit or explicit characterization of any reference or of any of the present claims, the right to challenge or rebut any asserted factual or legal basis of any of the rejections, the right to swear behind any cited reference such as provided under 37 C.F.R. §1.131 or otherwise, or the right to assert co-ownership of any cited reference. Applicants do not admit that any of the cited references or any other references of record are relevant to the present claims, or that they constitute prior art. Applicants reserve all rights to pursue any cancelled claims in a subsequent patent application claiming the benefit of priority of the present patent application, and to request rejoinder of any withdrawn claim, as required by MPEP §821.04.

### **Conclusion**

Applicants respectfully submit that claims 1-5, 8-11, and 25 are in condition for allowance, and notification to that effect is earnestly requested. The Examiner is invited to telephone Applicant's attorney, Ann M. McCrackin (located in Minneapolis, Minnesota) at (612) 349-9592 or Applicant's below-signed attorney (located in Phoenix, Arizona) to facilitate prosecution of this application.

If necessary, please charge any additional fees or credit overpayment to Deposit Account No. 19-0743.

Respectfully submitted,  
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